




State of Wisconsin


LEGISLATIVE REFERENCE BUREAU


RESEARCH APPENDIX - **PLEASE DO NOT REMOVE FROM DRAFTING FILE**

Date Transfer Requested: 02/18/2013 (Per: CMH)

Compile Draft – Appendix A **... Part IV**

Appendix A  The 2013 drafting file for LRB-0479

Appendix B  The 2013 drafting file for LRB-1243

Appendix C  The 2013 drafting file for LRB-1248

2013 LRB-0479

has been transferred to the drafting file for

2013 LRB-1485

Part of the compile used to create 2013 AB 40.



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-0479/P4
TJD:sac&eev:ph

DOA:.....Iwata, BB0218 - Codify Act 32 reforms approved by the Joint Finance Committee and other changes to BadgerCare Plus and BadgerCare Plus Core pending federal approval

FOR 2013-2015 BUDGET -- NOT READY FOR INTRODUCTION

1 **AN ACT ...; relating to: the budget.**

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

Currently, DHS administers the Medical Assistance (MA) program, which is a joint federal and state program that provides health services to individuals who have limited resources. Some services are provided through programs that operate under a waiver of federal Medicaid laws, including services provided through the BadgerCare Plus (BC+) and BadgerCare Plus Core (BC+ Core) programs. Under current law, BC+ provides health and medical services to eligible recipients and has a standard plan with a larger set of benefits and a Benchmark plan with fewer benefits.

Current law requires DHS to study potential changes to the MA state plan and to waivers of federal Medicaid law for certain purposes. If DHS determines that revision of existing statutes or rules would be necessary to advance any of the purposes for which the study was conducted, DHS may propose a policy that would add to or change current law regarding the MA program. Before implementing a policy that conflicts with a state statute, DHS must submit the proposed change to the Joint Committee on Finance. If the proposed change is not rejected by the

committee, DHS must submit to the federal Department of Health and Human Services (federal DHHS) the amendment or waiver request, to the extent necessary to implement its policy. If the federal government does not allow the amendment or does not grant the waiver, DHS may not implement the policy. Currently, DHS has proposed changes that, having not been rejected by the Joint Committee on Finance, have been submitted to the federal DHHS for approval. Some of these changes pertain to BC+ and BC+ Core and may have been implemented following approval by the federal government.

Under current law, unless DHS has a policy that conflicts with current state law eligibility requirements, the following individuals, among others, are eligible for benefits under the BC+ standard plan: a pregnant woman whose family income does not exceed 200 percent of the federal poverty line (FPL); a child meeting certain criteria whose family income does not exceed 200 percent of the FPL; a child meeting certain criteria whose family income exceeds 150 percent of the FPL but the difference between the actual family income and 150 percent of the FPL is expended on behalf of a member of the child's family or the child for certain medical or health reasons; a parent or caretaker relative of a child whose family income does not exceed 200 percent of the FPL; and an individual who qualifies for a transitional extension of MA benefits even though his or her income increases to above the FPL.

Under current law, certain children are presumptively eligible for benefits under the BC+ standard plan, meaning that they are eligible for benefits beginning the day on which a qualified entity determines, based on preliminary information, income eligibility for BC+. The bill eliminates, if the federal DHHS approves, presumptive eligibility for children.

Under current law, certain individuals are retroactively eligible for BC+ benefits for any of the three months before the month of application for BC+ if the individual met the eligibility criteria in that month. The bill eliminates retroactive eligibility for adults who are not pregnant, not disabled, and not elderly and whose income exceeds 133 percent of the FPL. If the federal DHHS approves, the bill eliminates retroactive eligibility for all individuals who are not disabled regardless of their age, pregnancy status, or income level.

Under current law, the following individuals, among others, are eligible for benefits under the BC+ Benchmark plan: a pregnant woman whose family income exceeds 200 percent, but does not exceed 300 percent, of the FPL; a pregnant woman and everyone in her family if her family income exceeds 300 percent of the FPL but the difference between her actual family income and 300 percent of the FPL is expended for any family member's or her medical or health care; a child whose family income exceeds 200 percent, but does not exceed 300 percent, of the FPL; and a parent or caretaker of a child whose income includes self-employment income but does not exceed 200 percent of the FPL after depreciation is deducted.

Under current law, an individual whose family income exceeds 150 percent of the FPL is not eligible for BC+ if the individual has coverage provided by an employer for which the employer pays at least 80 percent of the premium or coverage under the state health plan, or if the individual has access to employer coverage or coverage under the state health plan, in any of the following times: the 12 months before

applying for BC+, the month of application for BC+, or any of the three months after applying for BC+. Also, under current law, an unborn child, regardless of family income, is not eligible for BC+ if the unborn child or the unborn child's mother has individual or family health insurance coverage or if the unborn child or the unborn child's mother has access to individual or family health insurance in any of the following times: the 12 months before applying for BC+, the month of application for BC+, or any of the three months after applying for BC+. Current law specifies which individuals are eligible for BC+ regardless of having health insurance coverage or access to health insurance coverage and those individuals include pregnant women, certain children, certain individuals in foster care, and certain individuals who have a good cause reason for not obtaining the health insurance coverage to which they have access.

The bill retains the ineligibility provisions for individuals with health insurance coverage or access to coverage. Additionally, under the bill, an adult individual who is not disabled and not pregnant and whose family income exceeds 133 percent of the FPL is ineligible for BC+ if the individual for the 12 months before application for BC+, the month of application for BC+, the three months after the last day of the month of application for BC+, or the month including the date of the annual determination of the individual's eligibility for MA has any of the following: access to individual or family health coverage provided by an employer that does not exceed 9.5 percent of the family's monthly income or access to coverage under the state employee health plan. The bill adds, if the federal DHHS approves, to the types of individuals for whom access to coverage under the types of insurance added in the bill result in ineligibility, all of the following: a child who is not disabled and whose family income is at a level determined by DHS but no lower than 133 percent of the FPL; an adult parent or adult caretaker relative whose family income is at a level determined by DHS but no lower than 100 percent of the FPL; and an adult, including a pregnant woman, who is under 26 years of age, whose income is at a level determined by DHS but no lower than 100 percent of the FPL, who is eligible to be covered under a parent's employer coverage, and who does not have one of the additional good cause reasons for not obtaining health insurance coverage. If any individual added under the bill, who would be ineligible because of health insurance coverage or access to coverage, has one of the good cause reasons for not maintaining or obtaining coverage, the individual is not ineligible for BC+. The bill also adds to those good cause reasons and adds disabled adults to the individuals who may not be considered ineligible for BC+ for having or having access to health insurance coverage. Under the bill, an individual is ineligible for BC+ if the individual has private major medical insurance with a premium that does not exceed 9.5 percent of the family's monthly income and that individual is any of the following: an adult who is not disabled and not pregnant and whose family income exceeds 133 percent of the poverty line; if the federal DHHS approves, a child, or unborn child, of an individual whose family income is at a level determined by DHS but no lower than 133 percent of the FPL and who is not disabled.; and if the federal DHHS approves, an adult parent or adult caretaker relative who is not disabled and not pregnant and whose

family income is at a level determined by DHS but no lower than 100 percent of the FPL.

Under current law, an individual is ineligible for BC+ for three months if the individual satisfies one of the following: the individual has a family income exceeding 150 percent FPL and had certain health insurance coverage but no longer has the coverage; the individual is an unborn child or pregnant woman had health insurance coverage but no longer has the coverage; or the individual is a pregnant woman who is required to maintain health insurance coverage but did not. Those individuals, however, are eligible for BC+ if they have one the specified good cause reasons for not continuing health insurance coverage. The bill eliminates the requirement for certain pregnant women to maintain coverage and the ineligibility period for failing to do so. The bill adds to those individuals who are ineligible for BC+ for three months for not maintaining certain types of coverage without having a good cause reason adult individuals who are not disabled and not pregnant and whose family income exceeds 133 percent of the FPL; if the federal DHHS approves, children whose family income is at a level determined by DHS but no lower than 133 percent of the FPL; if the federal DHHS approves, adult parents and adult caretakers who are not disabled and not pregnant and whose family income is at a level determined by DHS but no lower than 100 percent of the FPL; and adults who are under 26 years of age, whose family income is at a level determined by DHS but no lower than 100 percent of the FPL. The bill also adds to the good cause reasons for not maintaining coverage.

If the federal DHHS allows, under the bill, DHS may provide an alternate Benchmark plan to adult individuals who are not pregnant, whose family incomes exceed 100 percent of the FPL, and who is otherwise eligible for BC+. The alternate Benchmark plan, if DHS provides the plan, provides coverage for benefits similar to those in a commercial, major medical insurance policy. DHS may charge higher copayments for the alternate Benchmark plan than are charged for the standard plan but may not charge an individual whose family income is 150 percent of the FPL or below a copayment that exceeds five percent of the individual's family income. The department may eliminate the original Benchmark plan for the individuals eligible for the alternate Benchmark plan, if the alternate plan is offered.

For purposes of eligibility, the bill adds requirements for calculating family income but only if the federal DHHS approves. Specifically, the bill requires DHS to count, for an individual who is not disabled, the income of all adults residing in the home for at least 60 consecutive days excluding the income of a grandparent in a household containing three generations if that grandparent applies for or receives BC+ benefits. If an individual is only included in the family income calculation, then DHS must exclude that individual from the calculation of family size. The bill also applies these family income and family size calculations to eligibility determinations for BC+ Core.

The bill allows DHS to administer medical home initiatives as service delivery mechanisms to provide and coordinate care for individuals who are eligible for services under a fee-for-service model of Medical Assistance, including BC+ and BC+ Core. The bill specifies certain groups of individuals for which the department

may administer a medical home initiative. DHS must provide through any medical home initiative the benefits provided to traditional Medical Assistance recipients and may provide additional services targeted to a specific population. If the federal DHHS approves, DHS must automatically enroll an eligible individual in a medical home initiative, and the individual may opt out of participation in the medical home initiative after six months.

The current law requires certain individuals to pay premiums for BC+ standard plan and the Benchmark plan including adults who are not pregnant and whose family income is greater than 150 percent of the FPL but not greater than 200 percent of the FPL; children whose family income is greater than 200 percent of the FPL; and an unborn child or pregnant woman whose family income is greater than 200 percent of the FPL. Current law also identifies specific individuals who do not pay a premium. The bill requires an adult parent or adult caretaker who is not pregnant, disabled, or American Indian and whose family income exceeds 133 percent of the FPL and, if the federal DHHS approves, a child who is not disabled and whose family income is at a level determined by DHS but at least 150 percent of the FPL, to pay a premium for BC+.

Under current law, if an individual who is required to pay a premium does not pay or requests termination of coverage under BC+, the coverage under BC+ is terminated. The former BC+ recipient is then ineligible for coverage for six months except for any month in which the former recipient's family income does not exceed 150 percent of the FPL. The bill changes the ineligibility period for an adult to 12 months except for any month in which the former recipient's family income does not exceed 133 percent of the FPL. For a child, the bill retains the six month ineligibility period except for any month in which the child's family income does not exceed 150 percent of the FPL, however, if the federal DHHS approves, the ineligibility period becomes 12 months.

Under current law, DHS also administers BC+ Core, which provides basic primary and preventive care to eligible individuals. Adults who are under age 65, who have family incomes that do not exceed 200 percent of the FPL, and who are not otherwise eligible for MA, including BC+, are eligible for benefits under BC+ Core, unless DHS has a policy that conflicts with current state law eligibility requirements. The bill requires certain childless adults with a family income exceeding 133 percent of the FPL to pay a premium for BC+ Core benefits as determined by DHS but no less than 3 percent of family income and no greater than 9.5 percent of family income.

Certain individuals, under current law, are eligible for transitional Medical Assistance because of becoming ineligible for another public assistance program. The bill eliminates transitional Medical Assistance benefits, if the federal DHHS approves.

The bill allows DHS to enroll a child who is receiving services through the early intervention program in a special plan, if the federal DHHS approves. The department may not require a child to enroll in this special plan and may not charge a copayment for services under the special plan. The special plan, if the federal

DHHS approves, offers services provided by early intervention teachers, home trainers, parent-to-parent mentors, and developmental specialists to children.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 49.45 (23) (c) of the statutes is created to read:

2 49.45 (23) (c) In addition to cost-sharing requirements established under par.
3 (b), a childless adult who is eligible to receive benefits under this section; who is not
4 disabled, pregnant, or American Indian, as Indian is defined in 42 CFR part 447,
5 subpart A; and whose family income exceeds 133 percent of the poverty line shall pay
6 a premium for coverage under the program under this subsection in an amount
7 determined by the department that is based on a formula in which costs decrease for
8 those with lower family incomes and that is no less than 3 percent of family income
9 but no greater than 9.5 percent of family income.

10 **SECTION 2.** 49.45 (23) (d) of the statutes is created to read:

11 49.45 (23) (d) In determining income for purposes of eligibility under this
12 subsection, the department shall apply s. 49.471 (7) (d) to the individual to the extent
13 the federal department of health and human services approves, if approval is
14 required.

15 **SECTION 3.** 49.45 (23) (e) of the statutes is created to read:

16 49.45 (23) (e) The department may provide services to individuals who are
17 eligible under this subsection through a medical home initiative under sub. (24j).

18 **SECTION 4.** 49.45 (24j) of the statutes is created to read:

19 49.45 (24j) **MEDICAL HOME PILOT PROJECTS.** (a) The department may administer
20 the medical home initiative as a service delivery mechanism to provide and

1 coordinate care for individuals who are eligible for a Medical Assistance program
2 under this subchapter that provides services under a fee-for-service model. The
3 department may administer a medical home initiative to serve individuals who are
4 members of any of the following populations:

5 1. Children who are in out-of-home care or are receiving adoption assistance
6 under 42 USC 670 - 679c.

7 2. Pregnant women.

8 3. Individuals who are exiting mental health facilities or correctional facilities.

9 4. Individuals with a diagnosis of serious mental illness or substance abuse
10 disorder.

11 5. Adults with two or more chronic medical conditions.

12 6. Other groups of individuals with conditions that the department determines
13 would benefit from services through a medical home.

14 (b) The department shall provide to individuals through any medical home
15 initiative administered under this subsection the benefits described under s. 49.46
16 (2) (a) and (b). The department may provide to individuals through any medical home
17 initiative administered under this subsection benefits in addition to the standard
18 plan benefits that are targeted to the population receiving services through the
19 medical home.

20 (c) The department may elect to administer any medical home initiative under
21 this subsection in a limited geographical area.

22 (d) The department may make an all-inclusive payment to the provider
23 offering services through a medical home.

24 (e) If the federal department of health and human services approves the
25 department's request to administer a medical home initiative, the department shall

1 automatically enroll an individual who is eligible for a medical home initiative under
2 this subsection in the medical home initiative. At any time after the first 6 months
3 of enrollment in the medical home initiative, the individual who is enrolled in the
4 medical home initiative may opt out of participation in the medical home initiative.

5 **SECTION 5.** 49.45 (30g) (a) 1. of the statutes is amended to read:

6 49.45 (30g) (a) 1. An approved amendment to the state medical assistance plan
7 ~~submitted under 42 USC 1396n (i)~~ permits reimbursement for the services under s.
8 49.46 (2) (b) 6. Lo. in the manner provided under this subsection.

9 **SECTION 6.** 49.45 (30g) (a) 3. of the statutes is amended to read:

10 49.45 (30g) (a) 3. The individual, the community recovery services, and the
11 community recovery services provider meet any condition set forth in the approved
12 amendment to the medical assistance plan ~~submitted under 42 USC 1396n (i)~~.

13 **SECTION 7.** 49.46 (1) (c) (intro.) of the statutes is amended to read:

14 49.46 (1) (c) (intro.) Except as provided under par. (co) or (cr), a family that
15 becomes ineligible for aid to families with dependent children under s. 49.19 because
16 of increased income from employment or increased hours of employment or because
17 of the expiration of the time during which the disregards under s. 49.19 (5) (a) 4. or
18 4m. or (am) apply shall receive medical assistance for:

19 **SECTION 8.** 49.46 (1) (cg) of the statutes is amended to read:

20 49.46 (1) (cg) ~~Medical~~ Except as provided under par. (cr), medical assistance
21 shall be provided to a dependent child, a relative with whom the child is living or the
22 spouse of the relative, if the spouse meets the requirements of s. 49.19 (1) (c) 2. a. or
23 b., for 4 calendar months beginning with the month in which the child, relative or
24 spouse is ineligible for aid to families with dependent children because of the
25 collection or increased collection of maintenance or support, if the child, relative or

1 spouse received aid to families with dependent children in 3 or more of the 6 months
2 immediately preceding the month in which that ineligibility begins.

3 **SECTION 9.** 49.46 (1) (co) 1. of the statutes is amended to read:

4 49.46 (1) (co) 1. Except as provided under subd. 2. or par. (cr), medical
5 assistance shall be provided to a family for 12 consecutive calendar months following
6 the month in which the family becomes ineligible for aid to families with dependent
7 children because of increased income from employment, ~~because the family no longer~~
8 ~~receives the earned income disregard under s. 49.19 (5) (a) 4. or 4m. or (am) due to~~
9 ~~the expiration of the time limit during which the disregards are applied or because~~
10 ~~of the application of the monthly employment time eligibility limitation under 45~~
11 ~~CFR 233.100 (a) (1) (i).~~

12 **SECTION 10.** 49.46 (1) (co) 2. of the statutes is amended to read:

13 49.46 (1) (co) 2. If a waiver under subd. 3. is granted and except as provided
14 in par. (cr), the department may select individuals to receive medical assistance
15 benefits as provided under par. (c), rather than under subd. 1., as a control group for
16 part or all of the period during which the waiver is in effect.

17 **SECTION 11.** 49.46 (1) (cr) of the statutes is created to read:

18 49.46 (1) (cr) To the extent approved by the federal department of health and
19 human services, an individual or family described in par. (c), (cg), or (co) is not eligible
20 for Medical Assistance if the federal department of health and human services
21 approves a request from the department to deny all or some transitional Medical
22 Assistance benefits to that individual or family, if approval is required.

23 **SECTION 12.** 49.46 (2) (b) 19. of the statutes is created to read:

1 49.46 (2) (b) 19. Subject to par. (br), services provided by early intervention
2 teachers, home trainers, parent-to-parent mentors, and developmental specialists
3 to children in the benchmark plan under par. (br).

4 **SECTION 13.** 49.46 (2) (b) 20. of the statutes is created to read:

5 49.46 (2) (b) 20. Subject to s. 49.45 (24j), any additional services, as determined
6 by the department, that are targeted to a population enrolled in a medical home
7 initiative under s. 49.45 (24j).

8 **SECTION 14.** 49.46 (2) (bc) of the statutes is created to read:

9 49.46 (2) (bc) Subject to s. 49.45 (24j), the department may provide any of the
10 services described in par. (a) or (b) through a medical home initiative under s. 49.45
11 (24j).

12 **SECTION 15.** 49.46 (2) (br) of the statutes is created to read:

13 49.46 (2) (br) If the federal department of health and human services approves
14 the department's request to offer a benchmark plan under this paragraph, the
15 department may enroll any child who is receiving services through the early
16 intervention program under s. 51.44 in a benchmark plan under this paragraph. The
17 department may not require a child who is receiving services through the early
18 intervention program under s. 51.44 to enroll in a benchmark plan offered under this
19 paragraph. The department may not charge a copayment to a child who is enrolled
20 in the benchmark plan under this paragraph for services described in par. (b) 19.

21 **SECTION 16.** 49.471 (1) (cm) of the statutes is created to read:

22 49.471 (1) (cm) "Disabled" means, when referring to an adult, meeting the
23 disability standard for eligibility for federal supplemental security income under 42
24 USC 1382c (a) (3).

25 **SECTION 17.** 49.471 (4) (a) (intro.) of the statutes is amended to read:

1 49.471 (4) (a) (intro.) Except as otherwise provided in this section, all of the
2 following individuals are eligible for the benefits described in s. 49.46 (2) (a) and (b),
3 subject to sub. (6) (k) and s. 49.45 (24j):

4 **SECTION 18.** 49.471 (4) (a) 7. of the statutes is amended to read:

5 49.471 (4) (a) 7. Individuals who qualify for a medical assistance eligibility
6 extension under s. 49.46 (1) (c), (cg), or (co) when their income increases above the
7 poverty line, except as provided in s. 49.46 (1) (cr).

8 **SECTION 19.** 49.471 (4) (e) of the statutes is created to read:

9 49.471 (4) (e) If the department obtains approval from the federal department
10 of health and human services to provide an alternate benchmark plan under sub.
11 (11r), to the extent the federal department of health and human services approves,
12 the department may enroll in the alternate benchmark plan under sub. (11r) any
13 individual whose family income exceeds 100 percent of the poverty line, who is either
14 an adult who is not pregnant or a child, and who applies and is otherwise eligible to
15 receive benefits under this section, except that the department shall enroll a child
16 who has a parent who is enrolled in a plan under this section in the same plan as his
17 or her parent.

18 **SECTION 20.** 49.471 (5) (b) 2. of the statutes is renumbered 49.471 (5) (b) 2.
19 (intro.) and amended to read:

20 49.471 (5) (b) 2. (intro.) Except as provided in sub. (6) (a) 2., a child who is not
21 an unborn child is eligible for the benefits described in s. 49.46 (2) (a) and (b) during
22 the period beginning on the day on which a qualified entity determines, on the basis
23 of preliminary information, that the child's family income does not exceed 150
24 percent of the poverty line any of the following and ending on the applicable day
25 specified in subd. 3., unless the federal department of health and human services

1 approves the department's request to not extend eligibility to children during this
2 period:

3 **SECTION 21.** 49.471 (5) (b) 2. a. to c. of the statutes are created to read:

4 49.471 (5) (b) 2. a. 150 percent of the poverty line for a child who is 6 years of
5 age or older but has not yet attained the age of 19.

6 b. 185 percent of the poverty line for a child who is one year of age or older but
7 has not yet attained the age of 6.

8 c. 300 percent of the poverty line for a child who is under one year of age.

9 **SECTION 22.** 49.471 (5) (b) 3. a. of the statutes is amended to read:

10 49.471 (5) (b) 3. a. If the woman or child applies for benefits under sub. (4)
11 within the time required under par. (d), the benefits specified in subd. 1. or 2.,
12 whichever is applicable, end on the day on which the department or the county
13 department under s. 46.215, 46.22, or 46.23 determines whether the woman or child
14 is eligible for benefits under sub. (4), except that a child who is not an unborn child
15 is not eligible for benefits described in s. 49.46 (2) (a) and (b) during that time if the
16 federal department of health and human services approves the department's request
17 not to provide those benefits during that time.

18 **SECTION 23.** 49.471 (6) (a) 1. of the statutes is amended to read:

19 49.471 (6) (a) 1. Any Except as provided in subd. 4., any pregnant woman,
20 including a pregnant woman under sub. (5) (b) 1., is eligible for medical assistance
21 under this section for any of the 3 months prior to the month of application if she met
22 the eligibility criteria under this section in that month.

23 **SECTION 24.** 49.471 (6) (a) 2. of the statutes is amended to read:

24 49.471 (6) (a) 2. Any Except as provided in subd. 3. or 4., any child who is not
25 an unborn child, including a child under sub. (5) (b) 2., parent, or caretaker relative

1 whose family income is less than 150 percent of the poverty line is eligible for medical
2 assistance under this section for any of the 3 months prior to the month of application
3 if the individual met the eligibility criteria under this section and had a family
4 income of less than 150 percent of the poverty line in that month.

5 **SECTION 25.** 49.471 (6) (a) 3. of the statutes is created to read:

6 49.471 (6) (a) 3. Any individual described in subd. 2. who is not disabled, not
7 elderly, and not pregnant, who is an adult, and whose family income exceeds 133
8 percent of the federal poverty level is not eligible for medical assistance under this
9 section for any of the 3 months before the month of application for medical assistance
10 benefits.

11 **SECTION 26.** 49.471 (6) (a) 4. of the statutes is created to read:

12 49.471 (6) (a) 4. To the extent allowed by the federal department of health and
13 human services, any individual described in subd. 1. or 2. who is not disabled is not
14 eligible for medical assistance under this section for any of the 3 months before the
15 month of application for medical assistance benefits.

16 **SECTION 27.** 49.471 (7) (c) (intro.) of the statutes is amended to read:

17 49.471 (7) (c) (intro.) When calculating an individual's family income, the
18 department shall do all of the following, subject to par. (d):

19 **SECTION 28.** 49.471 (7) (d) of the statutes is created to read:

20 49.471 (7) (d) In addition to applying other income counting requirements the
21 department shall do all of the following:

22 1. When calculating the family income of a member of a household who is not
23 disabled, include the income of all adults residing in the home for at least 60
24 consecutive days but exclude the income of a grandparent in a household containing

1 3 generations, unless the grandparent applies for or receives benefits as a parent or
2 caretaker under this section.

3 2. When determining the size of a family for purposes of determining income
4 eligibility, exclude from family size an adult whose income is included in a calculation
5 of family income solely under subd. 1.

6 3. Apply this paragraph only to the extent the federal department of health and
7 human services approves the income eligibility calculation methods, if approval is
8 required.

9 **SECTION 29.** 49.471 (8) (b) (intro.) of the statutes is amended to read:

10 49.471 (8) (b) (intro.) Except as provided in pars. (c), (cg), (cr), and (d), an
11 individual whose family income exceeds 150 percent of the poverty line is not eligible
12 for BadgerCare Plus if any of the following applies:

13 **SECTION 30.** 49.471 (8) (cg) of the statutes is created to read:

14 49.471 (8) (cg) An individual who is not disabled and not pregnant, who is over
15 18 years of age, and whose family income exceeds 133 percent of the poverty line is
16 not eligible for BadgerCare Plus if all of the following apply:

17 1. The individual has any of the following:

18 a. Access to individual or family health coverage provided by an employer in
19 which the monthly premium that an employee would pay for an employee-only
20 policy does not exceed 9.5 percent of the family's monthly income.

21 b. Access to individual or family health coverage under the state employee
22 health plan.

23 2. The individual has access to any coverage described in subd. 1. during any
24 of the following times:

1 a. The 12 months before the first day of the month in which an individual
2 applies for and the month in which an individual applies for BadgerCare Plus.

3 b. The 3 months after the last day of the month in which the individual applies
4 for BadgerCare Plus.

5 c. The month including the date of the annual determination of the individual's
6 eligibility for Medical Assistance.

7 3. The individual does not have as a reason for not obtaining health insurance
8 any of the good cause reasons under (d) 2. a. to e.

9 **SECTION 31.** 49.471 (8) (cr) of the statutes is created to read:

10 49.471 (8) (cr) 1. Subject to subd. 4., an individual who is any of the following
11 is not eligible for BadgerCare Plus if the criteria under par. (cg) 1. and 2. apply to that
12 individual:

13 a. An individual who is not disabled and who is a child, or unborn child, of an
14 individual whose family income is at a level determined by the department but no
15 lower than 133 percent of the poverty line.

16 b. A parent or caretaker relative who is not disabled, not pregnant, and an adult
17 and whose family income is at a level determined by the department but no lower
18 than 100 percent of the poverty line.

19 c. An adult, including a pregnant individual, who is not disabled, who is under
20 26 years of age; who is eligible to be covered under coverage a parent receives from
21 an employer; and whose family income is at a level determined by the department
22 but no lower than 100 percent of the poverty line.

23 2. An individual under subd. 1. is not ineligible if any of the good cause reasons
24 described in par. (d) 2. a. to e. is the reason that the individual did not obtain health
25 insurance coverage.

1 3. An individual under subd. 1. c. is not ineligible if any of the following good
2 cause reasons is the reason the individual did not obtain health insurance coverage:

3 a. The parent of the individual is no longer employed by the employer through
4 which the parent was eligible for coverage, and the parent does not have current
5 coverage.

6 b. The employer of the parent of the individual discontinued providing health
7 benefits to all employees.

8 4. The department may apply this paragraph to eligibility determinations for
9 for BadgerCare Plus only if the federal department of health and human services
10 approves of the conditions to make that individual ineligible, if approval is required.

11 **SECTION 32.** 49.471 (8) (ct) of the statutes is created to read:

12 49.471 (8) (ct) 1. If the federal department of health and human services
13 approves the department's request to add private major medical insurance as a type
14 of coverage which causes ineligibility, an individual who is not disabled and not
15 pregnant, who is over 18 years of age, whose family income exceeds 133 percent of
16 the poverty line, and who has coverage provided by private major medical insurance
17 in which the monthly premium does not exceed 9.5 percent of the family's monthly
18 income is not eligible for BadgerCare Plus.

19 2. If the federal department of health and human services approves of the
20 conditions to make that individual ineligible for BadgerCare Plus, an individual who
21 is any of the following is not eligible for BadgerCare Plus if he or she has the major
22 medical insurance coverage described under subd. 1.:

23 a. An individual who is not disabled and who is a child, or unborn child, of an
24 individual whose family income is at a level determined by the department but no
25 lower than 133 percent of the poverty line.

1 b. A parent or caretaker relative who is not disabled, not pregnant, and an adult
2 and whose family income is at a level determined by the department but no lower
3 than 100 percent of the poverty line.

4 **SECTION 33.** 49.471 (8) (d) 1. a. of the statutes is amended to read:

5 49.471 (8) (d) 1. a. A pregnant woman, except as provided in pars. (cr) 1. c. and
6 (fm) 4.

7 **SECTION 34.** 49.471 (8) (d) 1. g. of the statutes is created to read:

8 49.471 (8) (d) 1. g. An adult who is disabled.

9 **SECTION 35.** 49.471 (8) (d) 2. dg. of the statutes is created to read:

10 49.471 (8) (d) 2. dg. The insurance is owned by someone not residing with the
11 family and continuation of the coverage is beyond the family's control.

12 **SECTION 36.** 49.471 (8) (d) 2. dr. of the statutes is created to read:

13 49.471 (8) (d) 2. dr. The insurance only covers services provided in a service
14 area that is beyond a reasonable driving distance.

15 **SECTION 37.** 49.471 (8) (e) of the statutes is repealed.

16 **SECTION 38.** 49.471 (8) (f) of the statutes is amended to read:

17 49.471 (8) (f) If an individual with a family income that exceeds 150 percent
18 of the poverty line had the health insurance coverage specified in par. (b) 1. but no
19 longer has the coverage, or if an individual who is an unborn child or an unborn
20 child's mother, regardless of family income, had health insurance coverage but no
21 longer has the coverage, ~~or if a pregnant woman specified in par. (e) has health~~
22 ~~insurance coverage and does not maintain the coverage, the individual or pregnant~~
23 ~~woman~~ is not eligible for BadgerCare Plus for the 3 calendar months following the
24 month in which the insurance coverage ended without a good cause reason specified
25 in par. (g).

1 **SECTION 39.** 49.471 (8) (fm) of the statutes is created to read:

2 49.471 (8) (fm) If an individual who is one of the following individuals had the
3 health insurance coverage specified in par. (cg) 1. or (ct) but no longer has the
4 coverage, the individual is not eligible for BadgerCare Plus for the 3 calendar months
5 following the month in which the insurance coverage ended without a good cause
6 reason specified in par. (g):

7 1. An individual who is not disabled and not pregnant, who is over 18 years of
8 age, and whose family income exceeds 133 percent of the poverty line.

9 2. If the federal department of health and human services approves of the
10 department's request to make such an individual ineligible, an individual who is not
11 disabled and who is a child of an individual whose family income is at a level
12 determined by the department but no lower than 133 percent of the poverty line.

13 3. If the federal department of health and human services approves of the
14 department's request to make such an individual ineligible, a parent or caretaker
15 relative who is not disabled, not pregnant, and an adult and whose family income is
16 at a level determined by the department but no lower than 100 percent of the poverty
17 line.

18 4. If the federal department of health and human services approves of the
19 department's request to make such an individual ineligible, an adult, including a
20 pregnant individual, who is not disabled, who is under 26 years of age; who is eligible
21 to be covered under coverage a parent receives from an employer; and whose family
22 income is at a level determined by the department but no lower than 100 percent of
23 the poverty line.

24 **SECTION 40.** 49.471 (8) (g) (intro.), 1., 2., 3., 4. and 5. of the statutes are amended
25 to read:

1 49.471 (8) (g) (intro.) Any of the following is a good cause reason for purposes
2 of par. (f) and (fm):

3 1. The individual ~~or pregnant woman~~ was covered by a group health plan that
4 was provided by a subscriber through his or her employer, and the subscriber's
5 employment ended for a reason other than voluntary termination, unless the
6 voluntary termination was a result of the incapacitation of the subscriber or because
7 of an immediate family member's health condition.

8 2. The individual ~~or pregnant woman~~ was covered by a group health plan that
9 was provided by a subscriber through his or her employer, the subscriber changed
10 employers, and the new employer does not offer health insurance coverage.

11 3. The individual ~~or pregnant woman~~ was covered by a group health plan that
12 was provided by a subscriber through his or her employer, and the subscriber's
13 employer discontinued health plan coverage for all employees.

14 4. The ~~pregnant woman's~~ individual's coverage was continuation coverage and
15 the continuation coverage was exhausted in accordance with 29 CFR 2590.701-2 (4).

16 5. The individual's ~~or pregnant woman's~~ coverage terminated due to the death
17 or change in marital status of the subscriber.

18 **SECTION 41.** 49.471 (8) (g) 5g. of the statutes is created to read:

19 49.471 (8) (g) 5g. The insurance coverage is owned by someone not residing
20 with the family and continuation of the coverage is beyond the family's control.

21 **SECTION 42.** 49.471 (8) (g) 5r. of the statutes is created to read:

22 49.471 (8) (g) 5r. The insurance coverage only covers services provided in a
23 service area that is beyond a reasonable driving distance.

24 **SECTION 43.** 49.471 (10) (b) 1. of the statutes is amended to read:

1 49.471 (10) (b) 1. Except as provided in ~~subd. subds. 1m. and 4.~~, a recipient who
2 is an adult, who is not a pregnant woman, and whose family income is greater than
3 150 percent but not greater than 200 percent of the poverty line shall pay a premium
4 for coverage under BadgerCare Plus that does not exceed 5 percent of his or her
5 family income. If the recipient has self-employment income and is eligible under
6 sub. (4) (b) 4., the premium may not exceed 5 percent of family income calculated
7 before depreciation was deducted.

8 **SECTION 44.** 49.471 (10) (b) 1m. of the statutes is created to read:

9 49.471 (10) (b) 1m. Except as provided in subd. 4., a recipient who is an adult
10 parent or adult caretaker; who is not disabled, pregnant, or American Indian; and
11 whose family income exceeds 133 percent of the federal poverty line shall pay a
12 premium for coverage under BadgerCare Plus in an amount determined by the
13 department that is based on a formula in which costs decrease for those with lower
14 family incomes and that is no less than 3 percent of family income but no greater than
15 9.5 percent of family income. If the recipient has self-employment income and is
16 eligible under sub. (4) (b) 4., the premium may not exceed 5 percent of family income
17 calculated before depreciation was deducted.

18 **SECTION 45.** 49.471 (10) (b) 2. of the statutes is amended to read:

19 49.471 (10) (b) 2. Except as provided in subds. 3- 3m. and 4., a recipient who
20 is a child whose family income is greater than 200 percent of the poverty line shall
21 pay a premium for coverage of the benefits described in sub. (11) that does not exceed
22 the full per member per month cost of coverage for a child with a family income of
23 300 percent of the poverty line.

24 **SECTION 46.** 49.471 (10) (b) 3. of the statutes is repealed.

25 **SECTION 47.** 49.471 (10) (b) 3m. of the statutes is created to read:

1 49.471 (10) (b) 3m. A recipient who is a child, who is not disabled, and whose
2 family income is at a level determined by the department that is at least 150 percent
3 of the poverty line shall pay a premium in an amount determined by the department.
4 The department may apply this subdivision only to the extent the federal
5 department of health and human services approves applying a premium to those
6 individuals, if approval is required.

7 **SECTION 48.** 49.471 (10) (b) 4. (intro.) of the statutes is amended to read:

8 49.471 (10) (b) 4. (intro.) None of the following shall pay a premium, except as
9 provided in subd. 3m.:

10 **SECTION 49.** 49.471 (10) (b) 5. of the statutes is amended to read:

11 49.471 (10) (b) 5. If a recipient who is required to pay a premium under this
12 paragraph or under sub. (2m) or (4) (c) either does not pay a premium when due or
13 requests that his or her coverage under this section be terminated, the recipient's
14 coverage terminates and. If the recipient is an adult, the recipient is not eligible for
15 BadgerCare Plus for 6 12 consecutive calendar months following the date on which
16 the recipient's coverage terminated, except for any month during that -6-month
17 12-month period when the recipient's family income does not exceed 150 133 percent
18 of the poverty line. If the recipient is a child, the recipient is not eligible for
19 BadgerCare Plus for 6 consecutive calendar months, or 12 consecutive calendar
20 months if the federal department of health and human services approves, following
21 the date on which the recipient's coverage terminated, except for any month during
22 that period when the recipient's family income does not exceed 150 percent of the
23 poverty line.

24 **SECTION 50.** 49.471 (11) (intro.) of the statutes is amended to read:

1 49.471 (11) BENCHMARK PLAN BENEFITS AND COPAYMENTS. (intro.) ~~Recipients~~
2 Except as provided in sub. (11r) and s. 49.45 (24j), recipients who are not eligible for
3 the benefits described in s. 49.46 (2) (a) and (b) shall have coverage of the following
4 benefits and pay the following copayments:

5 **SECTION 51.** 49.471 (11r) of the statutes is created to read:

6 49.471 (11r) ALTERNATE BENCHMARK PLAN BENEFITS AND COPAYMENTS. (a) If the
7 department chooses to provide the alternate benchmark plan under this subsection,
8 the department shall provide to the recipients described under sub. (4) (e) coverage
9 for benefits similar to those in a commercial, major medical insurance policy.

10 (b) The department may charge copayments to recipients receiving coverage
11 under the alternate benchmark plan under this subsection that are higher than
12 copayments charged to recipients receiving coverage under the standard plan under
13 s. 49.46 (2). The department may not charge to a recipient of coverage under the
14 alternate benchmark plan under this subsection whose family income is at or below
15 150 percent of the poverty line a copayment that exceeds 5 percent of the individual's
16 family income for all members of the family.

17 (c) 1. The department may only provide coverage under the alternate
18 benchmark plan under this subsection to the extent the alternate benchmark plan
19 is approved by the federal department of health and human services.

20 2. If the department is providing coverage under the alternate benchmark plan
21 under this subsection the department may discontinue coverage under the
22 benchmark plan under sub. (11) for those individuals eligible for the alternate
23 benchmark plan under this subsection.

3. The department may provide services to individuals enrolled in the alternate benchmark plan under this subsection through a medical home initiative similar to an initiative described under s. 49.45 (24j).

4 (END)